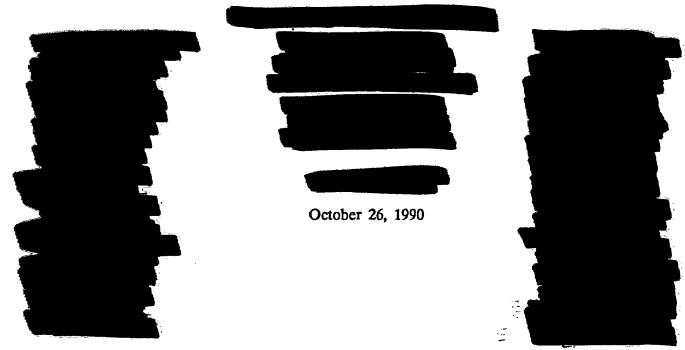
## Pule 803.2 (c) (1)

Line Chie



Richard B. Smith, Esquire Premerger Notification Office Federal Trade Commission 6th Street and Pennsylvania Avenue, N.W. Room 303 Process and American Washington, DC 20580

Dear Mr. Smith:

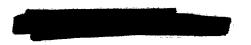
This is to confirm the advice you gave me earlier this week over the telephone concerning the applicability of Rule 803.2(c)(1) in the following circumstances:

Our client, Company A, is engaged in manufacturing and would be the acquiring person in the contemplated transaction. Company A's plants are in the United States. Some of Company A's sales are made to customers located outside the United States.

Rule 803.2(c)(1) provides:

- In response to items 5, 7, 8, and 9 and the appendix to the Notification and Report Form -
- Information shall be supplied only with respect to (1) operations conducted within the United States . . . .

My question was whether revenues attributable to Company A's sales of domesticallymanufactured products to foreign customers must be reported in response to Items 5 and 7.



Richard B. Smith, Esquire October 26, 1990 Page 2

You advised me that such information is considered "[i]nformation . . . with respect to operations conducted within the United States" within the meaning of § 803.2(c)(1). The rule is intended to assure that the responses to items 5, 7, 8 and 9 are consistent with the data reported to the U.S. Bureau of the Census. The data submitted to Census by U.S. manufacturers is based on the value of shipments, without regard to the ultimate destination of each shipment; therefore, Company A's responses must include revenues attributable to foreign sales of domestically-produced product.

Please call me at your earliest convenience to confirm that you agree that this letter accurately summarizes both my question to you and your advice to me.

Thank you for your assistance.

